GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:5387
ANSWERED ON:15.05.2007
SMALL TEXTILE UNITS
Reddy Shri Karunakara G.

Will the Minister of TEXTILES be pleased to state:

(a) whether there is spurt in global demand for textile items and that the small textile units are gearing up to do good business;

(b) if so, the details thereof;

(c) the estimated demand of Indian textile items during the next three years and likely share of small textile sector and handlooms; and

(d) the steps taken by the Government to boost the export of textile items and provide a regular work orders to weavers and handloom sector?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) & (b): Yes, Sir. As per DGCI&S provisional chapter-wise trade data of Department of Commerce, the overall textile exports has registered an increase of 7.67% during the year 2006-07 in comparison to 2005-06. However, the Government does not maintain unit-wise textile export data. The details of chapter-wise textile exports are as follows:-

(US$ Million)

Chapter	Commodity	2005-06	2006-07 (P)
50	Silk	392.43	385.56
51	Wool	80.88	85.44
52	Cotton	2984.23	3786.82
53	Other veg. Textile fibre	157.49	179.26
54	Man-made filaments	917.06	1010.37
55	Man-made staple fibre	822.87	1017.18
56	Wadding non-woven ropes	86.42	93.68
57	Carpets	1121.14	1173.12
58	Special woven fabrics; tufted textile fabrics; lace; tapestries, trimmings; embroidery	152.64	144.63
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use.	79.04	83.96
60	Knitted or crocheted fabrics	49.62	75.17
61	Articles of apparel and clothing accessories, knitted or crocheted	3191.13	3617.99
62	Articles of apparel and clothing accessories, not knitted or crocheted.	5435.50	5271.88
63	Other made up textile articles; sets; worn clothing and worn textile articles; rags	2380.69	2295.36
	Total textile exports (US$ Million)	17851.13	19220.42

(c) Projected export of textile and apparel from 2007-08 to 2009-10

US$ Million

S.No.	Item	2007-08	2008-09	2009-10
1	Readymade Garment	12987	17355	23593
2	Cotton Textiles	5645	7573	9185

3	Man-made Textiles	2574	3012	3524
4	Wool & Woollen Textiles	110	124	141
5	Silk textiles	497	542	590
	Total	21813	28606	37033
6	Handicrafts	1653	1917	2224
7	Coir & Coir Manufactures	198	234	276
8	Jute	360	417	484
	GRAND TOTAL	24024	31174	40017

(d) The steps taken by the Government to boost the export of textile items are as under: -

(i) The Government has taken initiative for development of Clusters in and around Bhadohi, Moradabad in Uttar Pradesh and Srinagar in Kashmir.

(ii) The Government has established procurement/production centres at handlooms clusters located in rural/remote places of Erode, Srivilliputur, Karur etc. (Tamil Nadu), Nagri, Jamalamadugu (Andhra Pradesh), Cannanore (Kerala), Bhagalpur (Bihar), and Phulia (West Bengal). The Government is also doing product development projects in Orissa and North Eastern Region (NER).

(iii) Direct interaction with weavers and artisans to extend necessary guidance and assistance regarding design development, improvement of production techniques and quality etc.

(iv) The Government announced the "Handloom Mark" Scheme on 28th June 2006 in order to certify the authenticity of handlooms products. The Scheme allows duty credit facility @ 2.5% of the FOB value of exports to 50% of the export turnover of Handlooms products bearing the Handloom Mark.

(v) 100% Foreign Direct Investment is allowed in the textile sector under the automatic route.

(vi) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

(vii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

(viii) To improve the productivity and quality of cotton, Government has launched the Technology Mission on Cotton (TMC). Incentives are provided for better farm practices, quality seeds, improvement in market infrastructure and modernization of ginning and pressing sector.

(ix) A new Scheme namely "Scheme for Integrated Textile Parks" has been launched by merging "Scheme for Apparel Parks for Exports" and "Textile Centre Infrastructure Development Scheme" in order to expand the production base of textile and garment sector.

(x) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given an option of excise exemption.

(xi) The import of specified textiles and garment machinery items has been allowed at a concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

(xii) Duty-free imports of 21 items of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.

(xiii) For the speedy modernisation of the textile processing sector, Government has introduced, w.e.f 20.4.2005, a credit linked capital subsidy scheme @10% under TUFS, in addition to the existing 5% interest reimbursement.

(ix) The National Institute for Fashion Technology (NIFT), its eight branches, and the Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet the skilled manpower requirements of the textile industry, especially apparel, in the field of design, merchandising and marketing.

(xv) Facilities like eco-testing laboratories have been created to enable exporters to get garments/textiles pre-tested so that they conform to the requirements of the importing countries.